



Education Expense Credit for Schools

Informational Bulletin

April 2000

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Director of Revenue

For information
or forms...

- ◆ Call us at:
1 800 732-8866 or
217 782-3336
- ◆ Call our TDD
(telecommunications device
for the deaf) at:
1 800 544-5304
- ◆ Write us at:
Illinois Department of Revenue
P.O. Box 19044
Springfield, IL 62794-9044
- ◆ Visit our Web site at:
www.revenue.state.il.us
- ◆ Call
"Illinois Tax Fax," our
fax-on-demand service, at:
217 785-3400
- ◆ Call
our 24-hour
Forms Order Line at:
1 800 356-6302

To: All Illinois Public and Nonpublic Schools

Effective January 1, 2000, an Illinois resident who is the parent or legal guardian of one or more qualifying students is eligible to take a tax credit on his or her Illinois Individual Income Tax Return for qualified education expenses paid at an Illinois elementary or secondary school. This income tax credit is 25 percent of the qualified education expenses. The total credit shall not exceed \$500.

What are qualified education expenses?

In general, qualified education expenses are the amounts paid in excess of \$250 for tuition, book fees, and lab fees at the school where the student is enrolled during the regular school year.

Specifically, qualified education expenses include the amount of

- **tuition** paid for a student who was enrolled in kindergarten through twelfth grade.
- **book fees** paid for the use of books that were required as part of the student's participation in the school's education program.
- **lab fees** paid for the use of supplies, equipment, materials, or instruments that were required as part of the student's participation in a lab course in the school's education program.

Lab courses include those courses that provide an environment for organized activity involving observation, experimentation, or practice, *i.e.*, science, music, art, or language.

Any purchased supplies, equipment, materials, or instruments that are substantially consumed by the assignments and activities of the lab are considered qualified lab fees.

Any amount paid for the purchase of an item that is **not** substantially consumed by the required assignments and activities of a course and that will remain the personal property of the student, parent or legal guardian at the end of the school year, is **not** considered a qualified education expense (*e.g.*, payments made toward the purchase of a band instrument).

What schools qualify as Illinois schools?

For the purpose of the education expense credit, any public or nonpublic elementary or secondary school in Illinois that satisfies the requirement of Section 26-1 of the School Code and, if required, is in compliance with Title VI of the Civil Rights Act of 1964 qualifies as an Illinois school.

Private schools providing educational instruction in the home that satisfy the requirements of Section 26-1 of the School Code also qualify as Illinois schools.

Should Illinois schools provide a written receipt for education expenses?

Illinois schools are encouraged to provide a written receipt for the education expenses paid at the school for the qualifying student(s) during the calendar year. The school should provide this receipt on or before January 31 of the following calendar year.

When a school provides a written receipt, the written receipt must be in the format prescribed by the Illinois Department of Revenue. A copy of the receipt is shown below

and can be found on our Web site at www.revenue.state.il.us.

The written receipt must include

- the name and address of the person who paid,
- the name and address of the school,
- the calendar year during which the education expenses were paid,
- the name(s) and Social Security number(s) of the student(s),
- a list of the amount of education expenses paid for tuition, book fees, and lab fees during the calendar year, and

- the total* of all education expenses paid during the calendar year.

*The person who paid for the education expenses will deduct the first \$250 from the total education expenses when claiming the credit.

Note: All information on the written receipt is confidential information for use only as supporting documentation of the education expense credit claimed and shall not be used for any other purpose.

Receipt for Qualified Education Expenses

Attach this receipt to Form IL-1040 to receive an Illinois Income Tax credit.

Received from:

Name

Address

City, state, ZIP

Social Security no. of parent or guardian

Paid to:

Calendar year

Name of school

Address of school

City, state, ZIP of school

Name of Student	Social Security No.	Tuition	Book Fees	Lab Fees	Total
1 _____	_____	_____	_____	_____	_____
2 _____	_____	_____	_____	_____	_____
3 _____	_____	_____	_____	_____	_____
4 _____	_____	_____	_____	_____	_____
5 _____	_____	_____	_____	_____	_____
					Total _____